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10 UNITED STATES BANKRUPTCY COURT
11 FOR THE DISTRICT OF NEVADA

12 * * * * *

13 IN RE:
14 KINSLEY RESOURCES, INC., a
15 Nevada corporation,
16 Debtor.

Case No. BK-N-12-51217-btb
(Chapter 11)

17 **STIPULATION BETWEEN DEBTOR AND
18 FOURTH & ONE, LLC RE:
19 TERMINATION OF AUTOMATIC STAY**

Hearing Date: August 28, 2013
Hearing Time: 10:00 a.m.

20 COMES NOW, KINSLEY RESOURCES, INC., a Nevada corporation (hereinafter
21 "Debtor"), by and through its attorney, STEPHEN R. HARRIS, ESQ., of HARRIS LAW
22 PRACTICE LLC, and Creditor FOURTH & ONE, LLC ("Fourth & One"), by and through its
23 attorney, PAUL J. LEEDS, ESQ., of HIGGS FLETCHER & MACK LLP, and stipulate and
24 agree as follows:

25 1. On May 25, 2012, an Involuntary Petition for Chapter 7 relief was filed against
26 the Debtor by certain Petitioning Creditors. On April 24, 2013, this Court entered its Order
27 (Docket No. 33) converting the involuntary Chapter 7 petition to a voluntary petition under
28 Chapter 11 of the Bankruptcy Code. No trustee has been appointed and Debtor acts as Debtor-
in-Possession herein.

2. Fourth & One filed its MOTION OF CREDITOR/MOVANT FOURTH & ONE,

1 LLC, FOR RELIEF FROM STAY OR ALTERNATIVELY, AN AWARD OF ADEQUATE
2 PROTECTION PAYMENTS (Docket No. 58) ("Motion"), on August 6, 2013.

3 3. Fourth & One is a secured creditor pursuant to a Note in the principal amount of
4 \$3,000,000 secured by a first priority deed of trust against certain real property (the
5 "Collateral").

6 4. Certain annual maintenance fees on the Collateral in the approximate sum of
7 \$13,580.00 are due and owing to the U.S. Bureau of Land Management ("BLM") by September
8 3, 2013. Additionally, fees for Notices of Intent to Hold with Elko County, Nevada and White
9 Pine County, Nevada (collectively the "Counties") in the approximate sum of \$970.00 are due
10 and owing by October 31, 2013. The Debtor agrees to pay current any and all 2014 renewal and
11 maintenance fees on the Collateral to the BLM by cashier's check or other certified funds on or
12 before August 27, 2013, and provide evidence of that payment(s) to Fourth & One's counsel via
13 email by 11:59 p.m. on August 27, 2013. Additionally, the Debtor agrees to pay current any
14 and all Notices of Intent to Hold to the Counties by cashier's check or other certified funds on
15 or before October 24, 2013, and provide evidence of that payment(s) to Fourth & One's counsel
16 via email by 11:59 p.m. on October 24, 2013.

17 5. Debtor further agrees that it will not request a refund of any duplicate payment,
18 should Fourth & One also make payment on account of the foregoing fees. If any such
19 duplicate payment results on account of payments being made by Fourth & One, then Fourth &
20 One shall be entitled to any refund due.

21 6. If the Debtor fails to pay the BLM and Counties' their required fees on the
22 Collateral by August 27, 2013 and October 24, 2013, respectively, and provide written evidence
23 to Fourth & One as indicated above, then the 11 U.S.C. §362(a) automatic stay shall be
24 immediately terminated as to Fourth & One's Collateral, and Fourth & One shall be entitled to
25 enforce its state law and contractual remedies against the Collateral.

26 7. If the Debtor pays the required fees to the BLM and Counties by August 27,
27 2013, and October 24, 2013, respectively, as required herein, the automatic stay shall remain in
28 place as to Fourth & One's Collateral until December 2, 2013, at which time all outstanding

unpaid principal and interest is fully due and payable by the Debtor to Fourth & One. If the Debtor fails to pay Fourth & One 100% of its allowed secured claim amount by 11:59 p.m. on December 2, 2013, then the 11 U.S.C. §362(a) automatic stay shall terminate effective immediately as to Fourth & One's Collateral, and Fourth & One shall be entitled to enforce its state law and contractual remedies against the Collateral.

8. The Debtor agrees that any proposed Chapter 11 Plan shall be consistent with the terms of this Stipulation with respect to repayment of Fourth & One's secured claim.

9. Due to the stipulated terms agreed upon by the parties hereto, the hearing on Fourth & One's Motion currently scheduled for August 28, 2013, at 10:00 a.m., may be vacated, if no opposition requiring a hearing is filed by any other party.

DATED this 22nd day of August, 2013.

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/s/ Paul J. Leeds

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Attorneys for Creditor Fourth & One, LLC